



Briefing: COVID-19 funding available to the third sector in Scotland

10th April 2020

On 18th March, the Communities Secretary Aileen Campbell MSP announced a £350 million fund to support welfare and wellbeing to mitigate the impact of COVID-19 (coronavirus). The funding is being made available to councils, charities, businesses and community groups.

On 8th March, the Chancellor of the Exchequer announced £750 million to support the charity sector's response to COVID-19. Where charitable services are devolved the UK Government says it has applied the Barnett formula and expects the devolved administrations to receive £60 million through the charities pot, and further significant Barnett allocations, dependent on the final proposals funded, through the direct grant pot. The UK Government is encouraging the devolved administrations to use this funding to support charities. At the time of writing this briefing, nothing further is known about how Scotland's third sector will benefit in practice.

Additionally, some independent funders and charities have launched special funds in response to the pandemic.

The information in this briefing summaries what is currently known about all this funding in relation to the third sector. To keep up to date with funding available for the third sector in relation to COVID-19, visit the SCVO Third Sector COVID-19 Hub which is updated daily: <https://scvo.org.uk/support/coronavirus/funding>

The Third Sector Resilience Fund (Scottish Government)

Applications are already open to this. The TSRF is a £20m emergency fund for charities, community groups, social enterprises and voluntary organisations working in Scotland. The fund supports organisations that already deliver services and products but find themselves in financial difficulties directly as a result of the coronavirus pandemic. The primary intention of the fund is to help third sector organisations to stabilise and manage cash flows over this difficult period.

The Fund is delivered by **Firstport**, **Social Investment Scotland** and the **Corra Foundation** and provides grants up to £100,000. In addition there is up to a further £5m available in fully flexible, 0% interest loans starting at £50,000. The fund will be complemented by specialist business advice from Just Enterprise to help grant recipients maximise the impact of the financial support.

To be eligible, interested organisations must be:

- a charity, social enterprise or voluntary organisation based in Scotland and/or primarily delivering services/activities in Scottish communities;
- already delivering those products or services prior to March 2020;
- and needing funding to stabilise cashflows directly as a result of the impact of COVID-19, as opposed to pre-existing financial difficulties

The fund aims to help as many organisations as possible, however, priority is given to those most at risk and that need immediate help.

Wellbeing Fund (Scottish Government)

The £50 million Wellbeing Fund will help charities and third sector organisations who require additional capacity to work with at-risk people worst affected by the crisis. This includes:

- Working with Corra Foundation, Inspiring Scotland, STV Appeal and SCVO, more than 900 charities responding to Covid-19 across Scotland have already been contacted with the offer an immediate small grant
- On 1 April, the Scottish Government boosted its funding to Scotland's 32 Third Sector Interfaces
- On 3 April all Third Sector Interfaces were invited to nominate a further 640 third sector organisations
- To ensure maximum reach, the Scottish Government will shortly launch a public 'bid-in' route to the fund and information will be made available on the SCVO Third Sector Covid-19 Hub.

Supporting Communities Fund (Scottish Government)

The £40m Supporting Communities Fund is providing funding to Community Anchor Organisations, for example Housing Associations and Development Trusts, to help support local responses to the pandemic. Community Anchor Organisations are well placed to work collaboratively with local authorities, third sector organisations and communities of interest. An initial wave of £10 million is currently being deployed through Community Anchor Organisations and a list of these will be made available on the SCVO Third Sector Covid-19 Hub.

Food Fund (Scottish Government)

The £70 million Food Fund will help ensure everyone has access to food during the pandemic, including at-risk groups, older people and families in receipt of free school meals. £30 million has been awarded to local authorities to support the local response with a further £30 million committed to support shielded individuals. £10 million will be used to support community-led action. Further information on how to access funding will be made available on the SCVO Third Sector Covid-19 Hub.

Additional funding (Scottish Government)

In addition to the four specific funds above, the Scottish Government has provided:

- £50 million additional allocation to local authorities to support their response
- £50 million will help meet the anticipated increase in applications for the Council Tax Reduction Scheme and Scottish social security benefits
- £45 million has been made available for the Scottish Welfare Fund to assist local authorities meet increased demands for Crisis and Community Care grants.

- £25 million is additionally being kept in reserve to address emerging priorities.

The National Emergencies Trust

The National Emergency Trust has set up a **Coronavirus Appeal** to raise funds for local charities and grassroots organisations that can provide vital support to people in the quickest way possible. Funds are being sought from members of the public, corporate donors, charitable trusts, community fundraising, and existing and new government funding programmes. Funds for Scottish organisations will be distributed by **Foundation Scotland** through the 'Community Response, Recovery and Resilience Fund' (RRR). Most immediately, the Response element will provide emergency funding for local charities and grassroots organisation supporting people most in need. In the medium and longer term, Recovery and Resilience will fund a wider group of local charities and community organisations whose operations and finances have been affected so they can recover, re-establish or re-design their activities once the outbreak eases in response to community needs at that point.

National Lottery Community Fund

All the funding decisions the National Lottery Community Fund make for the next six months (up to £300m of National Lottery funding) will be devoted to addressing the crisis.

Other independent funders providing specific Covid-19 related programmes

A number of independent funders (national and local) have set up special COVID-19 funds, although most of these are for modest amounts (the typical grant size is under £10,000). For example, Crisis Emergency Homelessness Grants, Faith in Community Covid-19 Rapid Response Fund, and Standard Life Foundation Coronavirus Fund. The SCVO Third Sector COVID-19 Hub provides up to date information about all these sources: <https://bit.ly/3c6XktR>



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